

Approved For Release 2003/10/01 : CIA-RDP79R00890A001100080007-0

NSC BRIEFING

5 August 1959

AFGHANISTAN

- I. We are increasingly concerned over developments in Afghanistan. The Afghans have steadily expanded relations with USSR.

III. Moscow also busy in technical and economic fields. We figure Soviet Union has now given economic aid totaling \$206 million, including \$100 million loan in 1956. (In addition to military)

A. Soviets moving rapidly to begin work on 470-mile road *to #80* from Soviet border through west and south Afghanistan to Kandahar; 500 Soviet technicians to supervise construction. Road provided under a new economic and technical agreement reached in late May. Will take five years to build.

Approved For Release 2003/10/01 : CIA-RDP79R00890A001100080007-0

Approved For Release 2003/10/01 : CIA-RDP79R00890A001100080007-0

- B. USSR also to build another airport for military and civil use, possibly in Helmand Valley. They are building two others and have completed a third.
 - C. An agreement, just announced last month, provides Soviet aid in construction three motor-road bridges in eastern province of Ningrahar, near Pakistani frontier.
 - D. Soviets have shown speed in finishing projects. (There are about 1,000-odd Soviet technicians already working in Afghanistan.)
- IV. New Soviet agreements go long way toward meeting demands of Afghans, who have been seeking only grant aid rather than credits.
- A. The grants deviate from Moscow's usual policy of limiting foreign aid to loans, but are probably intended, in part, to help counter US grant aid. (US Government and Export-Import Bank have supplied Afghans with \$145 million, mostly grants, since 1951.)
- V. Debt incurred under Soviet credits probably ties up important part future Afghan exports. USSR now biggest Afghan trading partner.
- A. About 40 percent Afghan trade now with Bloc, and nearly all POL needs supplied by USSR.
 - B. Afghanistan will remain dependent on USSR for weapons training for some time, and will become increasingly dependent on USSR for spare parts, ammunition, and fuel as military modernization progresses.
- VI. Afghans believe they must accommodate to powerful Soviet neighbor, but also believe they can steer neutral and independent course.
- A. They hope Moscow will be satisfied by mere Afghan neutrality.
- VII. USSR determined to block Western influence in Afghanistan while extending its own role there.

Approved For Release 2003/10/01 : CIA-RDP79R00890A001100080007-0

Next 1 Page(s) In Document Exempt

25X1